31.3.2000 whereas 8th Pricing Period will cover the period from 1.4.2000 to 31.3.2003 or till new pricing policy comes into existence, whichever is earlier.The Government is also in the process of formulating a new pricing policy for urea units keeping in view the recommendations of Expenditure Reforms Commission for replacing the existing unit-specific RPS. The proposed pricing policy would be in the shape of Group Concession Scheme and will aim at greater transparency and uniformity in disbursement of subsidy payments and will induce the urea companies to take cost reduction measures on their own and be competitive.

Retention Price of Fertilizer units

1069. SHRI PREM CHAND GUPTA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the retention price being paid to various fertilizer units ranges from Rs. 4356.00 per MT to Rs. 16454.00 per MT, resulting in a subsidy ranging from Rs. 292.00 per MT to Rs. 11804 per MT;

(b) whether units with higher cost of production get more subsidy than the units having lower cost of production; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (c) Under Retention Price Scheme, the retention prices (cost of production plus 12% post tax return on net worth) of urea manufacturing units are fixed unit wise having regard to a combination of norms and actuals of various cost elements. Operational cost of production of units differs not only from unit to unit but also from month to month depending upon *interaHa,* the health and vintage of the plant, the feedstock used, the levels of capacity utilization, the specific consumption and inputs cost.The average retention price of gas based urea units is less than those of naphtha and Fuel Oil (FO)/Low Sulphur Heavy Stock (LSHS) based units. The main reason for the high cost of production of naphtha and FO/LSHS based units is the high cost of feedstock *i.e.* naphtha and FO/LSHS in comparison to that of natural gas.

Average retention price of urea produced by indigenous industry is

normally higher than the maximum retail price of urea fixed by the Government under the Essential Commodities Act. Hence, subsidy is given on fertilizer producted to meet the excess cost over the maximum retail price fixed by the Government.

Import duty on life saving drugs

1070. SHRI SANTOSH BAGRODIA:
SHRIMATI AMBIKA SONI:

Will the Minster of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that essential life saving drugs that are imported, attract an import duty;

(b) if so, the details thereof;

(c) whether Government plan to dismiss any or all import duty on essential life saving drugs that need to be imported and are not manufactured in India; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (d) Most of scuh life saving drugs, not manufactured in India, do not attract any custom duty. However, if any such drug attracts duty.there is no proposal at present under consideration to exempt it.

Research Centres for reproductive fluid and tree improvement

†1071. SHRI MANOHAR KANT DHYANI: Will the Minister of ENVIRONMENT AND FORESTS be pleased to refer to answer to Unstarred Question 1430, given in the Rajya Sabha on 3rd August, 2001 and state:

(a) how many of the 35 afforestation Research Centres are functioning in Uttranchal;

(b) how many of the 200 Research Centres for reproductive fluid and tree improvement through genetics-are functioning in Uttranchal and the location thereof; and

† Original notice of the Question was received in Hindi.